CORPORATE BRAND EQUITY AND FIRM PERFORMANCE IN THE PHARMACEUTICAL INDUSTRY IN KENYA

ISSAK MAALIM ALI

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DECLARATION

I, the undersigned, declare that this is my original work and has not been presented to any institution or university other than the University of Nairobi for examination.

Signed: ____ Date: ____________________

ISSAK MAALIM ALI

D65/65195/2013

This project has been submitted for examination with my approval as the University supervisor.

Signed: ____ Date: ____________________

MR. VICTOR NDAMBUKI

Lecturer, Department of Business Administration,

University of Nairobi

DEDICATION

I dedicate this project to my family for their moral support, prayers and patience throughout my study period.

ACKNOWLEDGMENTS

It has been an exciting and instructive study period in the University of Nairobi and I feel privileged to have had the opportunity to carry out this study as a demonstration of knowledge gained during the period studying for my master's degree. With these acknowledgments, it would be impossible not to remember those who in one way or another, directly or indirectly, have played a role in the realization of this research project. Let me, therefore, thank them all equally. My special thanks to go to my supervisor, Mr. Victor Ndambuki, for his invaluable support and insightful contribution that have enriched the results of this study. His vast knowledge in the discipline of marketing and brand management in particular, his uncompromising stance to quality and details to enrich the quality, scope and contents of this study. First, I am indebted to the all-powerful ALLAH for all the blessings he showered on me and for being with me throughout the study. I am deeply obliged to my supervisor for his exemplary guidance and support without whose help; this project would not have been a success. Finally, yet importantly, I take this opportunity to express my deep gratitude to the lasting memory of my loving family, and friends who are a constant source of motivation and for their never ending support and encouragement during this project.

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ABSTRACT

The main purpose of the study was to establish the extent of corporate brand equity and firm performance in the pharmaceutical industry in Kenya, and the factors influencing the corporate brand equity. The study used a descriptive cross-sectional design. The target population was consisting of all the 38 pharmaceutical manufacturing firms registered with Pharmacy and Poisons Board as at 2014 (Appendix III). A census study was conducted since the population was small. The study used both primary and secondary data. The primary data was collected using a semi-structured questionnaire. From the semi-structured questionnaires both quantitative and qualitative data were produced. The questionnaires were coded and edited for completeness and consistency and entered into Statistical Package for Social Sciences (SPSS version 20). Analysis involved descriptive statistics and inferential analysis. Descriptive analysis technique gave simple summaries about the sample data in quantitative descriptions and included: mean, standard deviation, frequencies and percentages. Pearson correlation analysis was conducted to establish the corporate brand equity valuation conducted by pharmaceutical firms and their effectiveness. The study findings were established as follows: the effects stakeholders' consideration in the implementation strategies as they provided adequate information on the matter; the respondents strongly agreed that corporate reputation, firms' competition, firms, value chain activity, and firms' resource allocation influence the performance of the company; the respondents were in a position to know of the effects stakeholders' consideration in the implementation strategies as they provided adequate information on the matter; the firm's corporate reputation used to communicate with stakeholders has a positive impact on the firm's brand image setting in terms of product differentiation; good brand management brings about clear differentiation between products and it ensures consumer loyalty and preferences and may lead to a greater market share; pharmaceutical companies have recognized the importance of branding and have restructured their firms to include marketing and brand ambassadors and that building brand equity is considered an important part of brand building. The study recommended that the view that establishing and managing brand should not be taken to be the core operating target for most industries but should also is seen as a source of competitiveness; the study recommended that a brand should not just be an identifier but brand knowledge serves as a protector for both the manufacturer and consumer and that as a source of brand equity, pharmaceuticals could concentrate on a few brand associations, perhaps on one or two most important ones.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The rapid changes in the domestic and global market, increased competition experienced between firms, sophisticated customers has made business organizations to rethink on various strategies. Good brand management brings about clear differentiation between products, ensures consumer loyalty and preferences and may lead to a greater market share. Aaker (1991) is of the view that establishing and managing brand should not be taken to be the core operating target for most industries but should also be seen as a source of competitiveness. In other words, value is added to a brand through proper branding (Chen, 2011).

The importance of a brand has been discovered by companies and numerous scholars have investigated this area and written articles and books on the subject. Beamish and Ashford (2007) postulates that though brands are complex, they ultimately rest in the minds of customers as a basis on which to identify with a product, quality and image that is portrayed. Aaker (1991) originally enumerated five major components of brand equity such as: brand loyalty, name awareness, perceived quality, brand associations in addition to perceived quality. According to building theory, brand goes beyond physical constituents as it has some intangible attributes that are important to consumer's consideration. Classical test theory contends that brand is an identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant, unique added value which match their needs most closely (Moss, 2007).

Building brand equity is considered an important part of brand building (Keller, 1998). Brand equity is supposed to bring several advantages to a firm. For instance, high brand equity levels are known to lead to higher consumer preferences and purchase intentions (Cobb-Walgren, 1995). Firms with high brand equity are also known to have high stock returns (Aaker and Jacobson, 1994). Further insights into the measurement of consumer-based brand equity is important as branding is a powerful tool of differentiation. Differentiation, defining characteristics of the brand and its distinctiveness relative to competitors ,is one of the key competitive positioning strategies (Porter, 1990).The strategic impact of branding is duly recognized in the marketing literature as brands might develop sustainable competitive advantage for firms (Aaker, 1989). This implies that if consumers favor a particular brand, then the firm producing it may have a competitive advantage.

It is therefore vital for brand managers to have access to valid and reliable consumer-based brand equity instruments. For an enriched practice of brand management, brand building should be highlighted the best way of doing business because of the constant changes in the marketing environment. Successful brand building could strengthen a producer's competitive position to withstand the increasing power of retailers .Brand building can also bring advantages such as defending against competitors and building market share. (Aaker 1966b; King, 1991).

Kenya is currently the largest producer of pharmaceutical products in the Common Market for Eastern and Southern Africa (COMESA) region. The rapid growth of the pharmaceutical market in region has however brought competition making Kenya’s pharmaceutical firms to brand and rebrand or loose to competitors (Muiya and Kamau, 2013). Branding helps firms to compete using many properties of a product. Additionally, there has been discontent on the question of the quality and wholesomeness of various pharmaceutical products in Kenya. Claims have been made of a number of firms trading in substandard, expired and relabeled drugs which have found their way into the local and regional market irregularly or through dumping (Karuhanga, 2013).

Besides, as manufacturing and distribution of pharmaceutical products in Kenya continue to expand, driven by the Government's efforts to promote local and foreign investment in the sector brand equity is precious; it is now an integral part of company valuation (MOH, 2012). Owing to these challenges, the need for strong brand equity cannot be overemphasized.

1.1.1 Brand Management

Aaker's (1991) contends that the primary role of a brand is to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors. In addition, Aaker (1996) further distinguishes the separate components of brand as the brand identity which focus on the internal organizational orientation, representing self-image and aspired self-image and the brand image, the external market orientation of the actual image held by consumers.

According to Aaker and Joachimsthaler (2000) the value of a brand is derived from four main factors: brand awareness, perceived quality of the brand, brand associations and brand loyalty. Similarly, the characteristics of strong brands have been described as having consistent advertising and reinforcing a differentiated brand message (Sebastiao 1999; Berry 2000). Belch and Belch (2004) opine that a brand involves an image or type of association that comes to mind when consumers think about a brand. Brand management is considered useful in fully exploiting the assets of an organization and in generating additional value from the investments already made into brands (Moss, 2007).

The high costs associated with the launching of new brands, the high failure rates of new products and the increasing costs associated with advertising and distribution are some of the reasons for the growing interest in brand management (Aaker, 1991; Crawford, 1993; Ourusoff, 1992). There has, however, been a shift of emphasis from mere branding to brand management, which takes a more strategic stance regarding the brand management scene (Marin, 2012).

Brand building is considered the best way of doing business because of the constant changes in the marketing environment (Lannon,1993). According to Aaker, (1989) brands develop sustainable competitive advantage for firms. That is, if consumers perceive a particular brand favorably, then the firm may have a competitive advantage. Hence, it becomes vital for brand managers to have access to valid and reliable consumer-based brand equity instruments. Successful brand building could strengthen a producer's competitive position to withstand the increasing power of retailers (Park and Srinivasan, 1994).

1.1.2 Brand Equity

Brand Equity is the value that consumers associate with a brand (Aaker, 1991). It is the consumers' perception of the overall superiority of a product carrying that brand name when compared with other brands. Brand Equity refers to consumers' perception rather than any objective indicators (Chen, 2011). Brand equity has been identified as one of the most powerful intangible assets driving corporate value (others include investments in research and development, patents, databases, human capital, software development (Lev 2005).

According to Barth, Clement, Foster and Kasznik (1998) brands represent large assets with approximately forty percent of the market value of firms. In fact, the brand may be regarded as the fifth major business resource following human resources, goods, money, and information (Marvel & Ye, 2008). The concept of brand equity has been of interest to marketing academics and practitioner (Park, 1987). An issue of considerable relevance concerns how brand equity should be defined and measured. A conceptual framework for measuring customer-based brand equity is developed by using the conceptualization of Aaker's five dimensions of brand equity. It has aroused intense interest among business strategists from a wide variety of industries as brand equity is closely related with brand loyalty and brand extensions. Brand equity has been examined from financial and customer-based perspectives, Oliver, 1997).

1.1.3 Corporate Brand Equity

Corporate brand equity is a type of assessment that aids a company in determining what type of name value is associated with the brands it markets to the public and how this type of intangible asset benefits the ongoing success of the business. The idea behind this type of valuation is to get an idea of how closely consumers associate the brand name with positive qualities such as honesty, integrity, and quality. A high valuation means that the name provides considerable benefit to the business in terms of revenue generation and public acceptance. A low brand valuation shows that the company is doing very little to enhance the reputation of the company and may be more of a liability than an asset.

Corporate brand equity helps in the understanding of the creation of shareholder value. The increasing recognition of the value of intangibles came with the continuous increase in the gap between companies' book values and their stock market valuations, as well as sharp increases in premiums above the stock market value (Aaker, 1996; Leone, Rao, Luo, McAlister and Srivasta, 2006). To serve as a useful construct that describes a brand's value to the brand holder, brand equity must be distinguished from other key performance indicators such as brand revenue or profit. Building and maintaining relationships with customers clearly involves real dollar costs to the firm.

1.1.4 Firm Performance

Performance concept is multidimensional involving elements such as: economic performance (sales, productivity, profit), social performance (employee and customer satisfaction), legal performance (obeying of laws and law-like recommendations), or social performance (adoption of conduct norms based on ethical considerations) (Hernant, 2009). Performance measures provide the information necessary for decision makers to plan, control and direct the activities of an organization. Performance comprises of financial and non-financial indicators; these are consequences of the interplay between environmental factors and internal factors. They also allow managers to measure performance, to signal and educate suppliers on the important dimensions of performance, and to direct improvement activities by identifying deviations from standards. Various frameworks have been developed to aid in these goals, including the balanced score card (Kaplan and Norton, 1992).

Firm managers are constantly faced with the challenge of making decisions and taking actions, in order to satisfy consumers' needs and wants, and respond to the actions of competitors (Chenet, *et al.*, 2010). Hernant (2009) measure a firm's performance (such as revenue growth, profitability growth, productivity growth) but the comparison of the performances of different companies to one another using these measures in absolute terms becomes meaningless because one company may be operating a high growth sector (such as food and drinks) and the other in a declining sector (such as dry battery sector). Contemporary approaches to performance measurement include the intangible dimensions, such as public image and perception, customer satisfaction, employee satisfaction and attrition, skills levels, innovations in products and services investments into training and new value streams among others.

1.1.5 Pharmaceutical Industry in Kenya

The global pharmaceuticals market is worth US$300 billion a year. The 10 largest drugs companies control over one-third of this market; six are based in the United States and four in Europe. Companies currently spend one-third of all sales revenue on marketing their products - roughly twice what they spend on research and development (World Health Organization, 2014). This owes to the increased competition that the US, UK and Europe pharmaceutical companies face from emerging economies, such as China, Brazil and India (Imshealth, 2013).

Kenya has a well-developed pharmaceutical industry, manufacturing a wide range of products. The industry is dominated by foreign firms which were established to tap the Kenyan and regional markets. Foreign firms' capacity utilization was about 80 per cent and 65 per cent for locally owned firms. The pharmaceutical industry consists of three segments namely the manufacturers, distributors and retailers. Kenya is currently the largest producer of pharmaceutical products in the Common Market for Eastern and Southern Africa (COMESA) region, supplying about 50 per cent of the region's market. The country's pharmaceutical and consumer health market is estimated to be worth an estimated $160 million each year (Kenya Association of Manufacturers, 2013). Even as early as 1980s, exports to neighboring countries accounted for more than 51 per cent of Kenyan pharmaceutical exports, with Tanzania and Uganda alone taking 40 per cent (Karuhanga, 2013).

The pharmaceutical industry consists of three segments namely the manufacturers, distributors and retailers. All these play a major role in supporting the regions health sector, which is estimated to have about 4,557 health facilities in Kenya alone (Muiya and Kamau, 2013). Out of the COMESA region's estimated of 50 recognized pharmaceutical manufacturers; approximately 38 are based in Kenya (KAM, 2013).

However, Kenyan pharmaceutical exports face stiff competition from European traders and manufacturers who had long-established contacts in the regional market. Some of the Kenyan firms, however, have been able to penetrate markets in Eastern Europe, the Middle East and the Far East (Ong'u, 2012). It is approximated that about 10,000 pharmaceutical products have been registered for sale in Kenya through the pharmacy and poison board. These are categorized according to particular levels of outlet as freesales/Over the Counter (OTC), pharmacy technologist dispensable, or pharmacist dispensable/ prescription only (Muiya and Kamau, 2013). The Pharmacy and Poisons Board (PPB) is the drug regulatory authority of the Ministry of Health (MOH) Kenya, established in 1957 under the Pharmacy and Poisons Act, Chapter 244 of the laws of Kenya. PPB has the mandate to regulate pharmaceutical services, ensure the quality, safety and efficacy of human and veterinary medicines and medical devices, and advise the Minister of Health on all aspects of medicines regulation, in order to safeguard the health of Kenyans (MOH, 2012).

Within the PPB, the Department of Pharmacovigilance, set up in late 2004 is responsible for developing appropriate systems for detecting, reporting and monitoring adverse drug reactions within Kenya, as well as to develop and implement relevant tools and systems for post-market surveillance, to ensure that the quality and safety of medicines in Kenya meet the required standards (Ajumobi, 2009). The scope of work for this department also encompasses other relevant issues such as medication errors, efficacy reporting, the use of medicines for indications that are not approved and for which there is inadequate scientific basis, case reports of acute and chronic poisoning, assessment of drug-related mortality, abuse and misuse of medicines, as well as adverse interactions of medicines with chemicals, other medicines and food.

To achieve its objectives, the department links closely with the departments of medicines registration, pharmaceutical inspection, drug information and the National Quality Control Laboratory (MOH, 2012).

1.2 Research Problem

A powerful brand will enhance a customer's attitude strength of the product association of a brand. Attitude strength is developed by experience with the product. According to Keller (1993), customer awareness and association influences inferred attributes, perceived quality and finally result to brand loyalty. Moreover, the advantage of this dimensionality of brand equity is that it allows marketing managers to study how their marketing programs enhance their brand values in the minds of customers. For pharmaceuticals, it is vital to develop an organization's brand from its intangible assets (such as corporate reputation). Evidence suggests that organizations with a consistent corporate strategy and can convey it consistently into its brand strategy are likely to perform better than those organizations with a less clear and inconsistent ethos (Hatch and Schultz, 2001; Rao et al., 2004). Nowadays, the pharmaceutical industry is becoming increasingly complex and subject to a number of critical influences. This suggests that participant organizations need to actively consider how they are perceived by key stakeholders (Hoffman, 2006).

Literature on corporate brand equity valuation in healthcare is scarce. Few researchers have conducted studies in order to explain the emerging segment as well as to shed some light on why pharmaceutical companies are slowly emerging towards corporate branding. Apart from this aspect, there remains the aspect of the challenges marketers face when going for specific branding decisions regarding their products. Scholars argue that the degree of marketing used in the pharmaceutical companies is much reduced due to the scientific nature of the products (Viitanen, 2004). On the other hand, when it comes to consumer goods companies, the marketers are highly involved in processes and have a thorough understanding of the product. This is a consequence of the fact that they are involved within the very first stages of the research and development (Millton, 2011).

Pharmaceutical industry in Kenya has incrementally faced competition both locally and regionally owing to globalization and technological improvement. Unlike before when pharmaceutical firms used to market and sell their products through facts and data, and new drugs were easy to separate from their competitors, this has now changed. Besides, increased scrutiny of operational and research practices together with difficult questions over the safety of marketed drugs have created uncertainty in what has traditionally been considered a stable and highly profitable business. Companies need to brand and move new products into existing and new markets quickly to obtain sufficient benefit from a limited patent life and to compensate for development costs. Moreover, a number of recent product recalls, despite quality assurance processes and regulatory requirements, have led many consumers to believe that pharmaceutical manufacturers have lost sight of their original vision of improving human health and are more interested in increasing profits. In the absence of trust, brand equity has reduced and firms grapple with the restoring the lost trust. Thus, in order to keep up with fierce competition, pharmaceutical companies seek to transform their businesses. These firms have recognized the importance of branding and have restructured their firms to include marketing and brand ambassadors (Muiya and Kamau, 2013).

However, little effort has been concentrated on corporate branding or valuation thereof (Muiya and Kamau, 2013). Ndemo and Akello (2008) on their study on the influence brand management practices on consumers' perception at five large supermarkets in Kenya revealed that, the final choice and decision made by a consumer is highly dependence on the brand. Moreover, the study revealed that the output may be either an opinion choice or action. There are eight decision styles which are, quality conscious, brand conscious, fashion conscious, recreational and hedonistic orientation, price conscious, impulsive and careless tendencies, confused by alternative options and brand loyalty. Macharia (2009) studied the determinants of brand loyalty in Kenya and found out that, the final choice was produced by every process of decision making. Therefore, literature on the subject matter has illustrated two opposing points on how marketers are involved in marketing and branding strategies. The study will answer the following the research question: how is corporate branding carried out by pharmaceutical industry? How is corporate brand equity done in Kenya pharmaceutical industry? What is the relationship between barnd equity and firm performance?

1.3 Objective of the Study

The specific objectives of the study are to:

i) To establish the extent of corporate brand equity in the pharmaceutical industry in Kenya.

ii) To assess the factors influencing the corporate brand equity of pharmaceutical companies in Kenya

iii) To determine the relationship between brand equity and the performance of pharmaceutical firms in Kenya

1.4 Value of the Study

The results of this study are expected to contribute to theory building, policy issues and managerial practice. The study added to the existing brand management theory and specifically to the corporate brand equity valuation.

The study will contribute to managerial practice as managers in the pharmaceuticals industry in Kenya can use it as a reference point that individual pharmaceutical firms can adopt in order to remain competitive in a dynamic and competitive business environment.

The government and corporate policy makers interested to know the impact of a dynamic environment in respect to the competitiveness of pharmaceutical companies found this study useful in that respect. The findings of the study was invaluable to Kenyan scholars for it acted as a basis upon which further research into the area was based and a good source of secondary data on the same.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews selected theoretical and empirical literature relevant to the study. A discussion of the previous works on the study variables is presented. The section also presents research gaps and a summary of the literature review.

2.2 Theoretical Foundations of the study

Existing literature identifies a number of theories in brand management. A better understanding of brand equity measurement is essential for an enriched practice of brand management through building theory and classical test theory.

2.1.1 Building Theory

Building theory contends that a brand goes beyond physical constituents and what it stands for, it has some additional attributes which although maybe intangible but are still important to consumers consideration. A brand has added value which differentiate it from a product (Doyle, 2002; De Chernatony and MacDonald, 2003; Jones and Slater, 2003). Jones and Slater (2003) uses building theory to sum up these added values as those that develop from experiences of the brand; those that arise as a result of usage of the brand, which could be as a result of consumers association with the brand; those that arise from an assumption that the brand is powerful; and those that arise from the appearance of the brand i.e. packaging the product.

2.1.2 Classical Test Theory

Classical test theory adopts the added value concept. De Chernatony and MacDonald (2003) postulates a brand as an identifiable product; service, person or place augmented in such a way that the buyer or user perceives relevant, unique added value which match their needs most closely. Furthermore, its success results from being able to sustain these added values in the face of competition. One of the functions of a brand is that it serves as an identifier of product and services so that it can be differentiated from other products and services of the same class.

Aaker (1991) opines that brand knowledge serves as a protector for both the manufacturer and consumer. On the other hand, Schmitt (1999) posits that a brand should not just be an identifier. Schmitt further ssuggests that while a good image and name is insufficient, delivered experience is also important and recommended two ways to branding; the brand has to be viewed as an identifier where the logo, slogan, names forms a particular image and awareness for the consumer. The brand has to be viewed as an experience provider where the logo, slogan, names, event and contacts by consumer provides consumers affective, sensory, lifestyle and create relation with the brand. In support, Kotler and Armstrong (2004) also see a brand to be beyond an identifier. It represents consumer's sensitivity and emotional attachment to the product.

2.2 Quality Dimensions in Brand Management

Turley and Moore (1995) stated that limitation of brand management in literatures is as a result of the fact that few articles that examine correctly the development of brand management are normally inconsistent. Some study which present brand equity of services are: Muller and woods (1994) for example, talks more on brand management rather than product management in the restaurant industry; Stressing the need for a clear concept of the restaurant industry, dependability of brand name and building brand image.

Muller and wood (1998) recommended three main issues that a service brand should concentrate on in order to build a strong brand equity and acquiescence in the market place; quality product and service, performance of service delivery and establishing a symbolic and evocative image. He went further to say that a combination of these three issues in the development of a restaurant brand will give rise to charging premium price and enhance customer's loyalty. Murphy (1990) diagnoses generic brand method in restaurant industry such as simple, monolithic and endorsed.

2.3 Branding and Brand Equity

Different conceptualisations of brand equity have been measured by various researchers. Aaker (1991) view brand equity as a multidimensional concept which is made up of perceived qualities, brand loyalty, brand awareness, brand association and other propriety assets. According to him, Brand loyalty has to do with the level of devotion a consumer has to a brand. Brand awareness has to do with the ability of a potential buyer to identify a brand among a product category. Perceived quality deals with the consumer's perception of the brands total quality or superiority. Brand association is anything that is connected in a consumer's memory of a brand. The other proprietary brand asset has to do with patents and trademarks.

Keller (2000, 115) defines corporate brand equity in the following words: "the differential response by consumers, customers, employees, other firms or any relevant constituency to the words, actions, communications, products or services provided by an identified corporate brand entity". In other words, corporate brand equity is the sum of results formed by any action made under the corporation and its brand. Positive corporate brand equity is build up by promoting the corporate brand to targeted and/or relevant audience (Keller 2000, 115). Every action the corporation makes, affects its brand equity. Merrilees (2007) has noted that by efficiently and coherently communicating the brand to all its stakeholder groups the organization is able to maximise brand equity.

Corporate brand equity builds on strong, favourable, and unique associations about the corporate brand (Keller 2000). Every intangible association may improve and affect corporate brand equity. Different brand elements may gain different roles and affect corporate brand equity in different ways and in different degree. This means that there is not only one correct way to build corporate brand equity. Nevertheless, every brand element at every level of the brand hierarchy may increase corporate brand equity by creating awareness and building strong, unique and favourable associations. (Keller 2000)

According to Keller (2000, 118-120) corporate brand equity builds on the grounds of corporate image and the dimensions of corporate image affect corporate brand equity. Corporate image is about products of the organization, the actions an organization takes and the manner in which the organization communicates. Corporate image associations may also be affected by the characteristics of the personnel of the organization. The whole organization affects the perceptions about corporate brand and all the actions of the organization are involved in this perception-making. According to Hatch and Schultz (2003) the images, in the minds of stakeholders, of the organization as attractive and desirable are expected to influence stakeholder behaviour in ways that create corporate brand equity. This means that the organization should build such associations (Keller 2000).

According to Rode and Vallaster (2007), every interaction with the stakeholders affects brand equity and increases it as the more positive the experience, the stronger is the brand and the more the organization has positive reputation. Abimbola and Vallaster (2007) agree with this by arguing the importance of every interaction of the company with its customers and other stakeholders. Every interaction affects the corporate brand equity and has the possibility to make it stronger. Corporate brand equity may also be built with activity which is not directly related to the brand, such as charity or environmentally concerned actions (Keller 2000). Kollmann and Suckow (2007) have argued that in corporate brand equity building the brand name has even more meaning than in product branding. This is because of the wider audience and the need for the brand name to deliver consistent information about the brand. According to them, brand name is the driver for building brand equity. Also, in the words of Muzellec and Lambkin (2006), “the name is the anchor for brand equity”. Urde (2003) instead highlights the role of core values in corporate branding by saying that the factors linking core values and the corporate brand are pivotal for corporate brand equity building and thus the goal should be to define unique and useful core values which are difficult for competitors to imitate.

A similar conceptualization was proposed by Keller (1993). According to Keller (1993), consumer based brand equity consist of two dimensions, brand knowledge and brand awareness. Cob-walgren et al (1995) based their study on customer based perceptual measure of brand equity. Their study adopted three of Aaker (1991) perceptual component of brand equity i.e. brand awareness, brand association and perceived quality. They tested whether brand equity has an effect on brand perception, intention and attitude. The result of their study found out that brand equity has effect on perception, intention and attitude.

Low and lamb Jr (2000) and Prasad and Dev (2000) also adopted four of Aaker (1991) component i.e. brand awareness, perceived quality, brand loyalty and brand association. Yoo and Donthun (2001) employed four of Aaker’s component of brand equity i.e. brand awareness, brand loyalty, perceived quality and brand association excluding proprietary assets dimension as it is not important in the measurement of customer based brand equity. Despite the large number of alternative proposed in the literature, no single measure is ideal. There is no concession on the strengths or weakness of each. Simon and Sullivan (1993) claim that the best method for measuring brand equity depends on the objective market based data which give room for comparison overtime and across firm. According to them, using preferences and consumers attitude is wrong as a result of their individual subjectivity. Farquhar 1989 and Criminis (1992) stated that some marketers also concluded that while brands do add values to various components, it is the consumers who first determine brand equity.

2.4 Corporate Brand Equity Valuation and Firm value

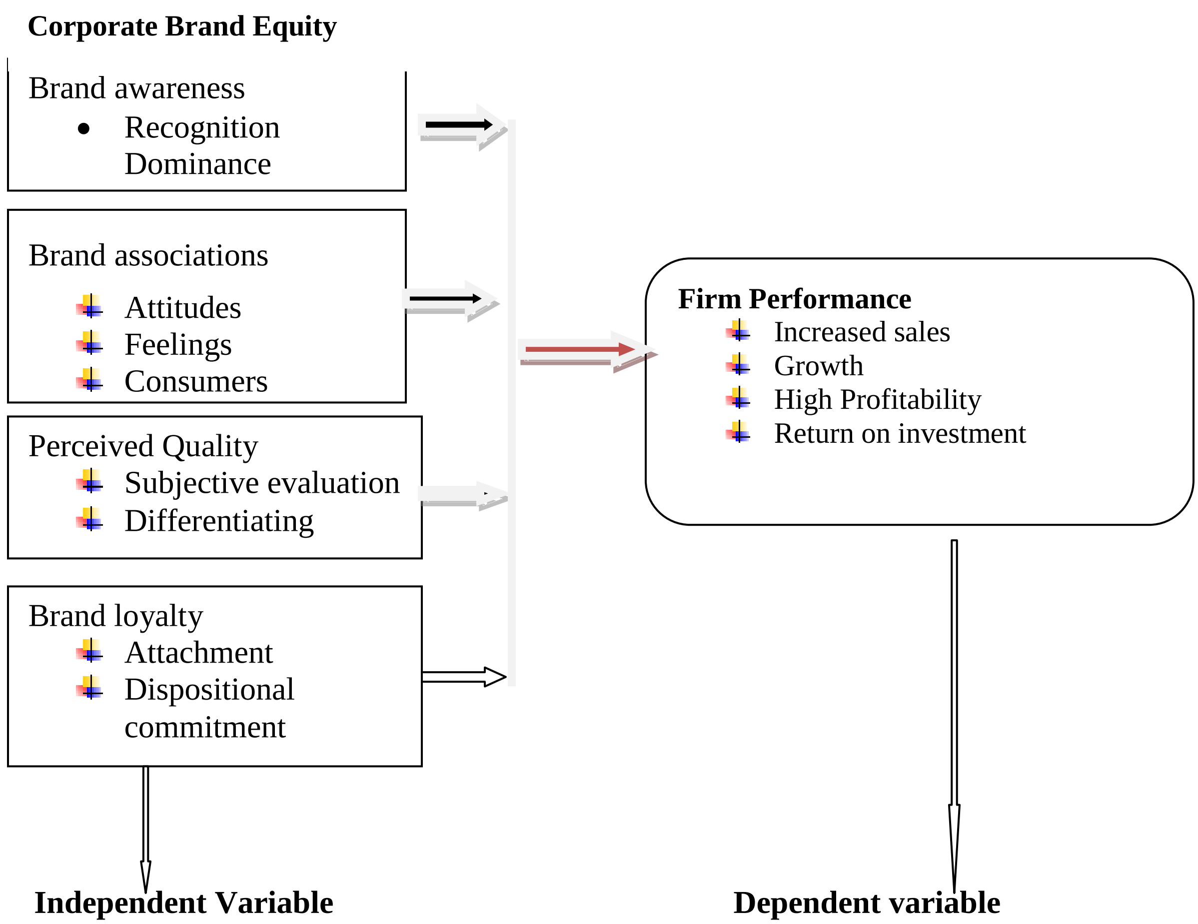
The importance of corporate brand equity valuation has become more accepted over time. As early as the latter part of the 19th century, corporations began to notice that consumers were associating certain qualities with certain brand names, sometimes even to the point of using the brand as a generic name for a product. Companies who were able to see the relevance of Corporate brand equity valuation to consumer buying habits have often made it a point to relate that brand name to new products they introduce, effectively creating a family of products that consumers assume are of a certain quality until proven otherwise, (Chaudhuri, & Holbrook, 2001).

Pappu (2003) posits that corporate brand equity valuation methodology seeks to determine, in customer and financial terms, the contribution of the brand to business results. As a strategic tool for ongoing brand management, it brings together market, brand, competitor, and financial data into a single framework within which the performance of the brand can be assessed, areas for improvement identified, and the financial impact of investing in the brand quantified. It also provides a common language around which a company can be galvanized and organized. MacKay, (2001), contends that a strong brand, regardless of the market in which it operates, drives improved business performance. It does this through its ability to influence customer choice and engender loyalty; to attract, retain, and motivate talent; and to lower the cost of financing by explicitly takes these factors into consideration. There are three key components in all of our valuations: analyses of the financial performance of the branded products or services, of the role the brand plays in the purchase decision, and of the competitive strength of the brand.

2.5 Conceptual Framework

The framework present research conceptualizes brand equity in accordance with Aaker (1991) and Keller (1993) based on consumer perceptions. The three important component of brand equity which shapes valuation are; brand awareness, whose several levels ranging from mere recognition of the brand to dominance, brand associations which may derive associations from a range of sources, brand personality in influencing brand's equity, perceived quality which is the consumer's subjective evaluation of the product and the brand loyalty also known as the attachment that a customer has to a brand".

Figure 2.1: Conceptual Framework



Source: Researcher (2014)

2.5.1 Brand Loyalty

Brand loyalty is an element of brand equity referring to the loyalty of stakeholders for the organization and its brand. Stakeholders are loyal to corporate brand, when they have an ongoing relationship with the brand. When corporate brand promise is kept and when stakeholders get what they expected from the organization over and over again, corporate reputation strengthens (Argenti & Druckenmiller 2004).

2.5.2 Brand Awareness

According to Aaker (1996, 10), brand awareness is about the strength of a brand's presence in the consumer's mind. In this context it should be thought as the strength of the brand presence in the stakeholders' minds. Brand equity may be built on for example brand recognition (Krake 2005). According to Krake (2005), for example the entrepreneur or the leader of the organization can have a significant role in brand recognition in SMEs. He or she is a source of inspiration and organization in the organization, but also the actual personification of the brand. It should be important to make sure that this is being exploited in the organization as a source of brand awareness and in that way as a source of brand equity.

Balmer and Gray (2003) have instead highlighted that in corporate branding, the brand name and/or logo are important elements creating brand awareness and recognition, as well as signs of trust and assurance of the organization. According to Rode and Vallaster (2005) the name, the logo and the slogan of the organization are part of corporate design. Krake (2005) has noted that creating only one brand is a good way to prevent awareness being fragmented away.

2.5.3 Perceived Quality

Perceived quality can be build up by showing that the quality is superior to a competitor's (Aaker 1996). As Aaker notes, this may also mean that the aim is towards being the best at what the organization does. Trust is also part of the perceived quality, thus building trust may enhance the perception about quality. This school of thought believes that consumers perceive perceived brand quality from two perspectives: the technical quality and the functional quality of the perceived brand. Technical quality asks the question of whether the perceived brand meets customers' expectations. The functional quality measures how consumers perceive the production and delivery of the perceived brand. While this distinction is technically feasible, both are required to influence consumers' perceived brand quality evaluations and loyalty behaviours (Richard and Allaway, 1993). The European school attracted criticism because it excludes the perceived brand physical environment.

Later conceptualisation of perceived brand quality- the American school of thought leans on the work of Parasuraman et al., (1985, 1988). This view has since been adopted by many scholars researching perceived brand quality. Parasuraman et al., (1985, 1988) conceptualised perceived brand quality as overall assessment of the difference between perception and expectation of perceived brand delivery. According to this conceptualisation based on data collected on 12 groups of consumers, Parasuraman *et al*., (1985) concluded that consumers evaluated perceived brand quality by comparing perceived brand to be received (expected) and perceived brand actually received (perceived) on 10 dimensions. In a subsequent and more elaborate work, Parasuraman et al., (1988) collapsed the original 10 dimensions into 5 pointing out that there were overlap amongst these 10 dimensions and could thus be soundly put into 5. This pioneering research (Parasuraman *et al*., 1988) suggested that perceived perceived brand quality is based on multi-dimensional factors relevant to the context.

2.5.4 Brand Associations

Brand associations are everything which connects the stakeholders to the brand. These include user associations, properties of the brand, operating situations, associations about the organization or characters or symbols of brand personality, as well as common product attributes together with benefits and attitudes, people, relationships and corporate credibility (see e.g. Aaker & Joachimsthaler 2000; Keller 2000). Especially important in the corporate brand context are the associations about the organization. According to Beverland, Napoli and Yakimova (2007), at corporate branding level the brand identity is more abstract compared to product branding, and thus also the associations become more abstract.

Corporate brand, seeing the brand as an organization, generates organizational associations (Aaker 1996). According to Aaker these organizational associations can be attached to the brand as part of the brand identity. Thus, the two sides of branding should be corresponding; the actual brand identity should be similar to the view of stakeholders about the brand, the brand image. According to Aaker (1996) for the brand to succeed, the brand should be developed so that the associations reflect and are part of the brand identity. Krake (2005) has recommended that as a source of brand equity, SMEs could concentrate on a few brand associations, perhaps on one or two most important ones. The organization can focus on a creatively developed marketing program based on these associations (Krake 2005).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter describes the research design, population of the study, data collection and data analysis techniques.

3.2 Research Design

The study used a descriptive cross-sectional design. A cross-sectional study was conducted once to pick out the parameters of a phenomenon at a specific point in time. According to Cooper and Schindler (2005), the aim is to get an accurate means of capturing a population's characteristics at a single point in time relating to what, where, how, who and when of a research topic. This research design affords the researcher the opportunity to study part of the members of the population in order to make generalization about the phenomenon. The study sought to establish the extent of corporate brand equity and firm performance in the pharmaceutical industry in Kenya.

The descriptive cross-sectional design was considered to be robust for effects of relationship studies and suitable for studies that aim to analyze a phenomenon, situation, problem attitude or issue by considering a cross-section of the population at one point in time (Mugenda and Mugenda, 2003).

3.3 Population of the Study

The target population was consisting of all the 38 pharmaceutical manufacturing firms registered with Pharmacy and Poisons Board as at 2014 (Appendix III). A census study was conducted since the population was small.

3.5 Data Collection

The study used both primary and secondary data. The primary data was collected using a semi-structured questionnaire. The questionnaire structured in two sections; Section A of the questionnaire sought responses on the attributes of the respondents' demographic and the pharmaceutical firms' general information. Section B sought responses on corporate brand equity and firm performance. The marketing managers were the key informant in each firm as they are deemed to have the specific knowledge on brand management issues. Only one respondent was interviewed in each firm.

The research instrument was self- administered through electronic mail and the drop and pick up later method. A letter of introduction explaining the purpose of the data and assuring the respondents of data confidentiality will accompany the questionnaire. Follow-up telephone calls, emails and personal visits were made to the respondents so as to increase the response rate. In addition, secondary data were collected from published sources such as newspapers, magazines, websites and other publicly available source.

3.6 Data Analysis

From the semi-structured questionnaires both quantitative and qualitative data were produced. The questionnaires were coded and edited for completeness and consistency and entered into Statistical Package for Social Sciences (SPSS version 20). Analysis involved descriptive statistics and inferential analysis. Descriptive analysis technique gave simple summaries about the sample data in quantitative descriptions and included: mean, standard deviation, frequencies and percentages. Pearson correlation analysis was conducted to establish the corporate brand equity valuation conducted by pharmaceutical firms and their effectiveness.

The regression analysis took the following model:

$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$

Where: Y= Pharmaceutical Firm Financial Performance

α = Constant

β_{1} - β_4 = Beta coefficients

X_1= Brand awareness

X_2= Brand associations

X_3= Quality

X_4= Brand loyalty

Є = Error term

CHAPTER FOUR

DATA ANALYSIS, RESULT AND DISCUSSION

4.1 Introduction

This chapter presents the result of the analysis of data collected through questionnaires from the marketing managers who were considered the key informants as they were deemed to have specific knowledge on brand management issues. The data was analyzed using quantitative analysis based on meanings and implications emanating from respondents information and documented data. Specifically, Section A of the questionnaire sought responses on the attributes of the respondents' demographic and the pharmaceutical firms' general information. Section B sought responses on the corporate brand equity valuation.

4.2 Response Rate

The target population was consisting of all the 38 pharmaceutical manufacturing firms registered with Pharmacy and Poisons Board as at 2014. Out of 38 questionnaires distributed to the respondents, 31questionnaires were returned. This response rate was excellent and representative and conforms to Creswell (2009) stipulation that the key to accurately arguing that those responding are similar to those not responding is a high response rate of 70 percent to 80 percent. This response rate is considered accurate and it reflects its population. He further stipulates that a high response rate is mandatory for a survey sample. The response rate of the study was 81.6%.

This implies that based on this assertion; the response rate in this case of 81.6% is very good. This high response rate can be attributed to the data collection procedures, where the researcher pre-notified the potential participants of the intended survey, the questionnaire was self-administered the respondents completed them and these were picked shortly after.

Table 4.1: Response Rate

	Questionnaires administered	Questionnaires filled & returned	Percentage
Respondents	38	31	81.6%

Source :Study findings

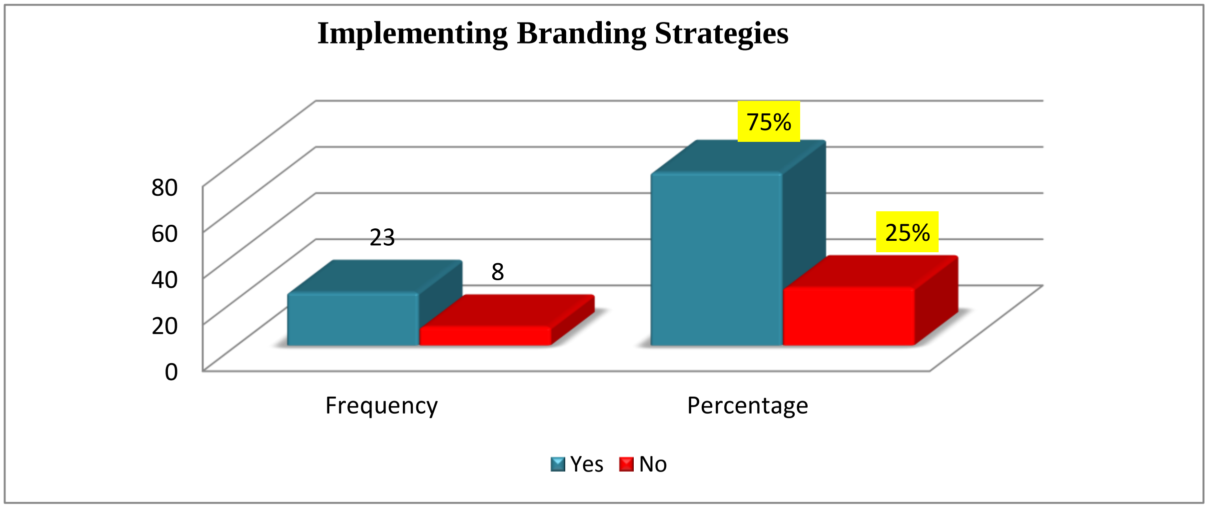
4.3 Research Findings

The study sought to determine the consideration given to stakeholders while making and implementing branding strategies, companies branding practices for corporate brand equity, firm's corporate reputation and the effect of corporate reputation on the firm's brand image setting in terms of its product differentiation.

4.3.1 Implementing Branding Strategies

The study determined while making and implementing branding strategies, whether they consider all or some of the stakeholders. The findings were presented in the figure below.

Figure 4.2: Implementing Branding Strategies



Source: Author, 2014

The study findings established that the majority of the companies consider the stakeholders while making and implementing brand strategies as 23 (75%) of the respondents indicated. 8 (25%) of the respondents indicated that their companies gave minimal or no consideration at all to the stakeholders while making and implementing strategies. The study deduced that the respondents were in a position to know of the effects stakeholders' consideration in the implementation strategies as they provided adequate information on the matter. The stakeholders are important in the implementation of brand strategies as deduced. The findings are in line with Dutta (1999) that managers have an ownership stake as they are most likely to maximize shareholder wealth. The managers monitor the negative and positive impacts of ownership and concentrate to be equated hence over some time benefits can over weigh the negativities.

4.3.2 Importance of Stakeholders

The study sought to determine the extent of importance of considering all or some of the stakeholders. The respondents were asked to rate the importance of all or some of the stakeholders in making and implementing branding strategies in a five point Likert scale. The range was ‘most important’ (5) to ‘not important’ (1). The scores of not important (N.I) and least important (L.I) had an equivalent mean score of 0 to 2.4 on the continuous Likert scale; (0≤ N.I/L.I <2.4).

The scores of moderate important (M.I) had an equivalent mean score of 2.5 to 3.4 on the continuous Likert scale: 2.5≤M.I. <3.4). The scores of important (I) and most important (MtI) had an equivalent mean score of 3.5 to 5.0 on a continuous Likert scale; 3.5≤ I/M.I <5.0). A standard deviation of >1.5 implies a significant difference on the impact of the variable among respondents.

Table 4.2: Importance of Stakeholders

Stakeholders	Mean	Std. Dev.
Consumers/ customers	4.35	.1859
Managers	4.23	.1643
Suppliers	3.38	.0459
Distributors	3.41	.2054
Media	3.24	.1365
Government	3.89	.2184
Competitors	4.32	.1246
General Public	3.54	.1389

Source: Author, 2014

According to the study findings, the respondents rated the importance of stakeholders as revealed in the table above. Consumers/customers, managers and competitors are very important stakeholders in making and implementing branding strategies in the pharmaceutical industry (mean 4.35, 4.23 and 4.32). The government and the general public are important in making and implementing branding strategies in the pharmaceutical industry (mean 3.89 and 3.54). The suppliers, distributors and media are moderately important in making and implementing branding strategies in the pharmaceutical industry (mean 3.38, 3.41 and 3.24).

The findings are in line with Hatch and Schultz (2003) who determine the images, in the minds of stakeholders, of the organization as attractive and desirable are expected to influence stakeholder behaviour in ways that create corporate brand equity. The organization should build more associations with the stakeholders.

According to Rode and Vallaster (2007), every interaction with the stakeholders affects brand equity and increases it as the more positive the experience, the stronger is the brand and the more the organization has positive reputation. Abimbola and Vallaster (2007) agree with this by arguing the importance of every interaction of the company with its customers and other stakeholders. Every interaction affects the corporate brand equity and has the possibility to make it stronger. Corporate brand equity may also be built with activity which is not directly related to the brand, such as charity or environmentally concerned actions. Kollmann and Suckow (2007) have argued that in corporate brand equity building the brand name has even more meaning than in product branding. This is because of the wider audience and the need for the brand name to deliver consistent information about the brand. According to them, brand name is the driver for building brand equity.

4.3.3 Companies Branding Practices

The study sought to determine how the companies branding practices affect service provision and customer relations in the company.

The respondents were asked to rate the aspects of companies branding practices influence on the companies service provision and customer relations in a five point Likert scale. The range was ‘strongly agree’ (5) to ‘strongly disagree’ (1). The scores of strongly disagree (S.D) and disagree (D) had an equivalent mean score of 0 to 2.4 on the continuous Likert scale; (0≤ S.D/D <2.4). The scores of ‘neutral’ have been taken to represent a variable that had an impact to a neutral extent (N.E.) had an equivalent mean score of 2.5 to 3.4 on the continuous Likert scale; (2.5≤N.E<3.4). The scores of strongly agree (S.A) and agree (A) had an equivalent mean score of 3.5 to 5.0 on a continuous Likert scale; (3.5≤S.A/A<5.0). A standard deviation of >1.5 implies a significant difference on the impact of the variable among respondents.

Table 4.3: Aspects of Companies branding practices

Branding	**Mean**	**Std.dev**
Our firm’s corporate reputation promises good quality products and service to customers.	4.71	.5736
The corporate reputation of our firm helps to reduce transaction costs.	2.32	.2543
Our firm competes by creating useful products.	4.23	.1274
Our firm competes by creating the correct product attributes for its targeted customers.	3.79	.7462
Our firm competes by appropriate performances.	4.01	.2857
Our firm competes by appropriate outcomes.	4.16	.6921
Our firm’s value-chain activity is consistent with functional value creation.	4.62	.7167
Our firm’s resource allocation is consistent with functional value	3.95	.1540

creation.		
Our firm competes by appealing to the senses.	2.30	.5634
Our firm competes by creating appropriate emotions (fun, pleasure, excitement, relaxation, etc.)	2.19	.8697
Our firm competes by facilitating social relationships (bonds, attachments, and togetherness).	4.47	.2351
Our firm competes by creating epistemic value (knowledge, novelty, fantasy).	1.34	.2987
Our firm's value-chain activity is consistent with experiential value creation.	3.32	.2655
Our firm's resource allocation is consistent with experiential value creation.	3.78	.4723
Our firm competes by enhancing its customers' self-identity.	0.90	.3012
Our firm competes by enhancing its customers' self-concept.	2.17	.1609
Our firm competes by enhancing its customers' self-worth.	1.30	.4789
Our firm competes by creating personal meaning.	1.14	.3986
Our firm competes by facilitating self-expression.	3.97	.7460
Our firm competes by offering economic value (low prices, value in use, life costs).	4.73	.2952
Our firm competes by simplifying the purchasing process for its consumers (ease of use, ease of doing business, simplicity, availability, accessibility).	4.02	.1527
Our firm competes by enabling ease of use of its products (time, effort,	3.89	.8721

energy).		
Our firm competes by minimizing customer risk (personal, technological, strategic).	4.16	.4179
Our firm's value-chain activity is consistent with symbolic value creation	3.99	.6917
Our firm's resource allocation is consistent with symbolic value creation	4.65	.3547
In our organization, corporate reputation serves as a competitive advantage	4.71	.1259
Our firm's corporate reputation sends a strong signal to its customers	3.84	.4879
Our firm's corporate reputation implies efficient sales and marketing.	4.23	.2859
Our firm's corporate reputation implies its advanced R&D	3.80	.1935
Our firm's corporate reputation implies that we are able to enter markets early.	3.02	.7245
Our firm's corporate brand shapes the perceptions of shareholders and other stakeholders	4.34	.4528
Our firm's corporate brand builds a relationship between the firm and its customers.	4.48	.2701
Our firm's corporate reputation influences consumer choices.	4.30	.1974

Source: Author, 2014

According to the findings, the respondents strongly agreed that corporate reputation, firms' competition, firms, value chain activity, and firms' resource allocation influence the performance of the company.Among various existing Brand Equity frameworks, Riezevos (2003) conceptual framework appears to be the model that includes corporate Responsibility factors in the Brand

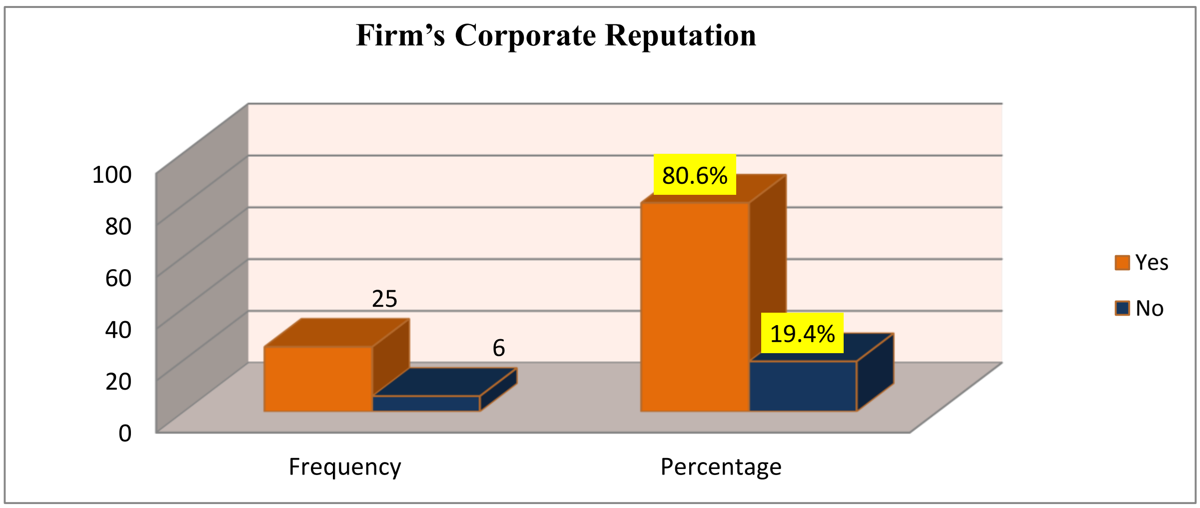
Equity model. In Riezebos model, two different values recognized: firestone is the values to the owners that can be regarded as the value to internal stakeholders. The second is the “value to the consumers”, which can be regarded the society as whole. Considering these two inclusive stakeholders groups (i.e. internal and external stakeholders), while analyzing the approaches to Brand equity valuation; we can say that most of the comparative methods are concentrating on the values on the external stakeholders. The comparative methods mostly analyzing the brand equity from the consumer’s perceptions and preferences hence hardly analyzing internal stakeholder’s values. For instance conjoint trade-off techniques or dollar-metric methods measures attributed features of a brand versus a generic (or competing) brand suffering lack of financial (accounting) performance assessments. In these methods the possibility of considering social and environmental concerns exists as an association or character of a brand. However, the analyzing these attributes of a brand are just from consumer point of view.

Brand value chain (BVC) provides a framework to realize brand equity (Ouyang & Wang, 2007). BVC implies that BE constructed from three major parties involvement i.e. consumer, organization, and the shareholders (ibid). Thus, it is necessary all BVC perspectives to be considered simultaneously to have a true holistic view on BE (ibid). Recalling from Riezebos’ (2003) model BE measurement starts from added value to consumers to the added value to organization. However, (Jones, 2005) claims these days that all wider stakeholder analysis must be included in brand equity assessments.This multi aspect contemplation enables brand valuator to properly reflect the nature, system, and value of brand equity and provide an integrated assessment frame for business disciplines (Ouyang & Wang, 2007).

4.3.4 Firm's Corporate Reputation

The study determined whether all corporate reputation is used to create value and if it has an impact on a firms brand image strategy in terms of competitive position and product differentiation as shown in Figure 4.3.

Figure 4.3: Firm's Corporate Reputation



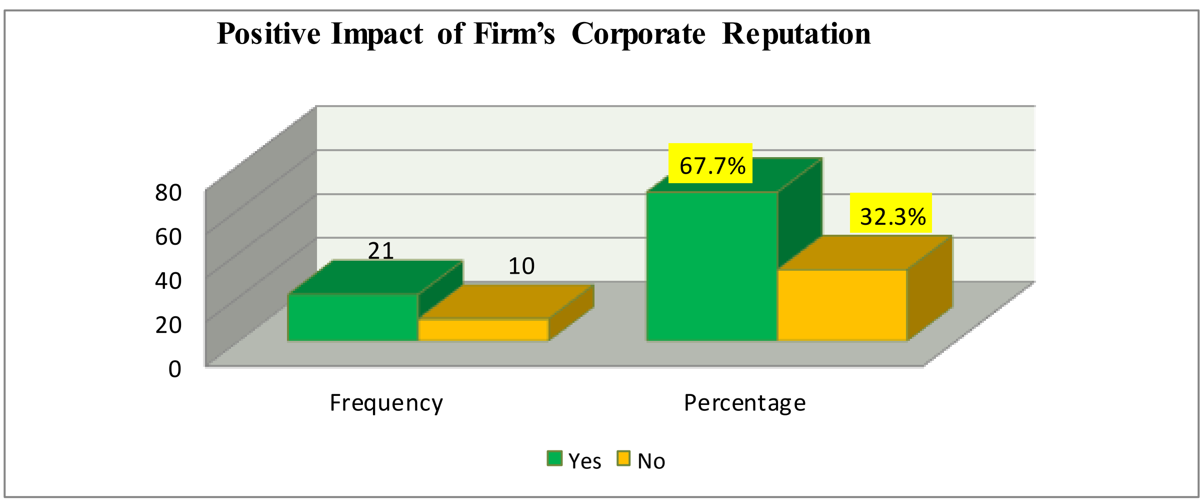
Source: Author, 2014

The study findings established that the corporate reputation is used to create value and if it has an impact on a firms brand image strategy as 25 (80.6%) of the respondents indicated. 6 (19.4%) of the respondents indicated that their companies gave consideration to corporate reputation. The study deduced that the respondents were in a position to know of the effects stakeholders' consideration in the implementation strategies as they provided adequate information on the matter. Corporate reputation is used to create value and if it has an impact on a firms brand image strategy. Researchers agree that corporate reputation can improve the competitiveness of a business (Burke & Logsdon, 1996) which in long-run leads to economic success (Weber, 2008). An over view of the articles revealed that although general interest among scholars increased on interdisciplinary approaches of branding and corporate responsibility but none of them presented a framework for brand valuation including measures of corporate conduct effects. Maybe the problem relates to lack of general agreement on corporate responsibility definition though it is widely discussed (Weber, 2008). On the other hand there is no generally accepted brand valuation method and measurement metrics to be applied.

4.3.5 Positive Impact of Firm's Corporate Reputation

The study sought to determine whether the firm's corporate reputation is used to communicate with its stakeholders and does it have any impact on a firm's brand image setting in terms of its product differentiation. The findings were evident in the Figure 4.4.

Figure 4.4: Positive Impact of Firm's Corporate Reputation



Source: Author, 2014

It is evident that the majority of the respondents 21 (67.7%) indicated that the firm's corporate reputation used to communicate with stakeholders has a positive impact on the firm's brand image setting in terms of product differentiation. 10 (32.3%) indicated that the firm's corporate reputation used to communicate with stakeholders did not have a positive impact on the firm's brand image setting in terms of product differentiation. The study deduced that the firm's corporate reputation used to communicate with stakeholders has a positive impact on the firm's brand image setting in terms of product differentiation.

The findings are in line with Keller (2000, 115) who defines corporate brand equity in the following words: "the differential response by consumers, customers, employees, other firms or any relevant constituency to the words, actions, communications, products or services provided by an identified corporate brand entity". A low brand valuation and shows that the company is doing very little to enhance the reputation of the company and may be more of a liability than an asset. According to Rode and Vallaster (2007), every interaction with the stakeholders affects brand equity and increases it as the more positive the experience, the stronger is the brand and the more the organization has positive reputation.

4.4 Brand Equity Valuation

The study sought to determine the firm's brand equity valuation with regards to product differentiation and market segmentation.

The respondents were asked to determine the firm's brand equity valuation with regards to product differentiation and market segmentation in a five point Likert scale. The range was 'strongly agree' (5) to 'strongly disagree' (1). The scores of strongly disagree (S.D) and disagree (D) had an equivalent mean score of 0 to 2.4 on the continuous Likert scale; ($0 \leq$ S.D/D <2.4). The scores of 'neutral' have been taken to represent a variable that had an impact to a neutral extent (N.E.) had an equivalent mean score of 2.5 to 3.4 on the continuous Likert scale; ($2.5 \leq$N.E<3.4). The scores of strongly agree (S.A) and agree (A) had an equivalent mean score of 3.5 to 5.0 on a continuous Likert scale; (3.5≤S.A/A<5.0). A standard deviation of >1.5 implies a significant difference on the impact of the variable among respondents as illustrated in Table 4.4.

Table 4.4: Brand Equity Valuation

Brand Equity Valuation: PRODUCT DIFFERENTIATION		
	Mean	**Std. Dev.**
How our corporate brand is perceived varies according to whether consumers have experienced our products.	3.53	.0154
How our corporate brand is perceived varies by word of mouth.	3.62	.1249
How our corporate brand is perceived varies by promotion.	3.84	.1657
Our corporate brand is actually created differently by product characteristics.	3.57	.1348
Our corporate branding maybe directed at different market segments.	3.69	.1856
Our corporate brand may utilize physical product characteristics.	3.71	.1545
Our corporate brand may utilize non-physical product characteristics.	3.56	.1435
COMPETITIVE POSITION	**Mean**	**Std. Dev.**
Our firm’s corporate brand positioning strategy signifies high quality to its customers.	3.65	.2044
Our firm’s corporate brand positioning strategy signifies better product performance to its customers.	3.54	.1463
Our firm’s corporate brand positioning strategy is to achieve a higher frequency of advertising.	3.42	.1554
Our firm’s corporate brand positioning strategy involves a long distribution chain.	3.27	.1248
Our firm’s corporate brand positioning strategy is to provide a much better service to its customers.	3.68	.1314
Our firm’s corporate brand positioning strategy tries to fulfil the basic needs of our customers.	3.85	.1462
Our firm’s corporate brand positioning strategy tries to target upmarket audiences.	3.76	.1546

Source: Author, 2014

According to the study findings, the firm's brand equity valuation with regards to product differentiation and market segmentation the respondents agreed that product differentiation of the corporate brand is perceived varies according to whether consumers have experienced our products (mean 3.53); the corporate brand is perceived varies by word of mouth (mean 3.62); the corporate brand is perceived varies by promotion (mean 3.84); the corporate brand is actually created differently by product characteristics (mean 3.57); the corporate branding maybe directed at different market segments (mean 3.69); the corporate brand may utilize physical product characteristics (mean 3.71) and the corporate brand may utilize non-physical product characteristics (mean 3.56).

The study found out that the respondents agreed that the firm's corporate brand positioning strategy signifies high quality to its customers (mean 3.65); the firm's corporate brand positioning strategy signifies better product performance to its customers (mean 3.54); the firm's corporate brand positioning strategy is to provide a much better service to its customers (mean 3.68); the firm's corporate brand positioning strategy tries to fulfil the basic needs of our customers (mean 3.85) and the firm's corporate brand positioning strategy tries to target upmarket audiences (mean 3.76). The respondents moderately agreed that the firm's corporate brand positioning strategy is to achieve a higher frequency of advertising (mean 3.42) and the firm's corporate brand positioning strategy involves a long distribution chain (mean 3.27).

The findings are in line with Aaker (1991) that good brand management brings about clear differentiation between products and it ensures consumer loyalty and preferences and may lead to a greater market share. According to Moss (2007), brand is an identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant, unique added value which match their needs most closely. Karuhanga (2013) claimed that branding helps firms to compete using many properties of a product. Additionally, there has been discontent on the question of the quality and wholesomeness of various pharmaceutical products in Kenya. Claims have been made of a number of firms trading in substandard, expired and relabeled drugs which have found their way into the local and regional market irregularly or through dumping. The high costs associated with the launching of new brands, the high failure rates of new products and the increasing costs associated with advertising and distribution are some of the reasons for the growing interest in brand management. According to Chen (2011), it is the consumers' perception of the overall superiority of a product carrying that brand name when compared with other brands. Brand Equity refers to consumers' perception rather than any objective indicators.

The findings are also in line with Aaker (1991) that the rapid changes in the domestic and global market, increased competition experienced between firms, sophisticated customers has made business organizations to rethink on various strategies. According to Muiya and Kamau (2013), the rapid growth of the pharmaceutical market in region has however brought competition making Kenya's pharmaceutical firms to brand and rebrand or loose to competitors. The findings according to Ong'u (2012), the Kenyan pharmaceutical exports face stiff competition from European traders and manufacturers who had long-established contacts in the regional market. Some of the Kenyan firms, however, have been able to penetrate markets in Eastern Europe, the Middle East and the Far East. Millton (2011) findings established that the pharmaceutical industry in Kenya has incrementally faced competition both locally and regionally owing to globalization and technological improvement. Unlike before when pharmaceutical firms used to market and sell their products through facts and data, and new drugs were easy to separate from their competitors, this has now changed. Thus, in order to keep up with fierce competition, pharmaceutical companies seek to transform their businesses. These firms have recognized the importance of branding and have restructured their firms to include marketing and brand ambassadors.

4.5 Raising Pharmaceutical Firm Band Equity

The study found out from the respondents what should be considered by the pharmaceutical firm in order to raise its band equity. Building brand equity is considered an important part of brand building. Brand equity is supposed to bring several advantages to a firm. For instance, high brand equity levels are known to lead to higher consumer preferences and purchase intentions. According to Aaker and Jacobson (1994), firms with high brand equity are also known to have high stock returns, further insights into the measurement of consumer-based brand equity is important as branding is a powerful tool of differentiation. Differentiation, defining characteristics of the brand and its distinctiveness relative to competitors, is one of the key competitive positioning strategies.

Keller (2003) findings stated that brand awareness can be referred to as the ability of a consumer to distinguish a brand under various conditions. Keller (2003) also noted that brand awareness is built and increased by familiarity with the brand as a result of repeated vulnerability which eventually leads to consumers experience with the brand. Consumer's experience of a particular brand could either be by hearing, seeing, or thinking about it and this will help the brand to stick in their memory.

4.6 Relationship Between corporate brand equity valuation by pharmaceutical firms and their effectiveness

4.6.1 Pearson Correlation Analysis

The study sought to establish the relationship between the effectiveness of corporate brand equity valuation by pharmaceutical firms. Pearson Correlation analysis was used to achieve this end at 95% confidence level ($\alpha = 0.05$). Table 4.5 shows that there were significant correlation coefficients were established between the effectiveness of corporate brand equity valuation by pharmaceutical firms. Very good and positive linear relationships were established between the effectiveness of corporate brand equity valuation by pharmaceutical firms: brand awareness (R=0.690, p= .023); brand associations (R=0.719, p= .005); quality (R=0.538, p= .001) and brand loyalty (R=0.727, p= .021). This depicts that corporate brand equity valuation positively influence effectiveness of pharmaceutical industry.

Table 4.5: Pearson Correlation Analysis

Financial performance	**Capital structure**	
Brand Awareness	Pearson Correlation	0.690*
	Sig. (2-tailed)	.023
Brand Associations	Pearson Correlation	0.719**
	Sig. (2-tailed)	.005
Quality	Pearson Correlation	0.538**
	Sig. (2-tailed)	.001
Brand Loyalty	Pearson Correlation	0.727**
	Sig. (2-tailed)	.021

Correlation is significant at the 0.05 level (2-tailed).*
Correlation is significant at the 0.01 level (2-tailed). **

4.6.2 Regression Analysis

The study sought to determine the effectiveness of corporate brand equity valuation by pharmaceutical firms using multiple linear regression analysis. The independent variables were:

Brand awareness, brand associations, quality and brand loyalty.

The regression model was:

$Y = \beta_0 + \beta_1 (BA) + \beta_2 (BAS) + \beta_3 (Q) + \beta_4 (BL) + \varepsilon$

The regression model was:

Whereby Y is corporate brand equity valuation, β_0 is regression constant, $\beta_1 - \beta_4$ regression coefficients, β_1 is BA: brand awareness score, β_2 is BAS: brand associations score, β_3 is Q: quality, β_4 is BL: brand loyalty and ε model's error term.

Table 4.6 shows that there is a good linear association between the dependent and independent variables used in the study. This is shown by a correlation (R) coefficient of 0.887. The determination coefficient as measured by the adjusted R-square presents a moderately strong relationship between dependent and independent variables given a value of 0.764. This depicts that the model accounts for 76.4% of the variations in financial performance while 33.6% remains unexplained by the regression model.

Durbin Watson test was used as one of the preliminary test for regression which to test whether there is any autocorrelation within the model's residuals. Given that the Durbin Watson value was close to 2 (2.104), there was no autocorrelation in the model's residuals.

Table 4.6: Model's Goodness of Fit Statistics

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
.887[a]	.787	.764	.757	2.104

a. Predictors: (Constant), brand awareness, brand associations, quality and brand loyalty

b. Dependent Variable: corporate brand equity valuation

The ANOVA statistics presented in Table 4.7 was used to present the regression model significance. An F-significance value of $p < 0.001$ was established showing that there is a probability of less than 0.1% of the regression model presenting false information. Thus, the model is very significant.

Table 4.7: Analysis of Variance (ANOVA)

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	120.450	5	20.075	35.037	.000[b]
Residual	32.659	32	.573		
Total	153.109	37			

a. Predictors: (Constant), brand awareness, brand associations, quality and brand loyalty

b. Dependent Variable: corporate brand equity valuation

From the findings in Table 4.9, the multiple linear regression equation becomes:

Table 4.8: Regression Coefficients Table

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.350	1.167		1.157	.251
brand awareness	.001	.044	.001	.012	.990
brand associations	.021	.056	.044	.369	.713
quality	.034	.039	.100	.881	.381
brand loyalty	.026	.032	.013	.246	.354
a. Dependent Variable: corporate brand equity valuation					

Source: Author, 2014

From the model, when other factors (BA, BAS, Q and BL) are at zero, the poverty indicator: A constant value of 1.350. Holding other factors (BA, BAS, Q and BL) constant, a unit change in BA, would lead to a 0.001 (p = 0.990) change in corporate brand equity valuation; a unit change in BAS, would lead to a 0.021 (p = .713) change in corporate brand equity valuation; a unit increase in Q, would lead to a 0.034 (p = 0.381) change in corporate brand equity valuation and a unit increase in BL, would lead to a 0.026 (p = 0.354) change in corporate brand equity valuation. This shows that among the factors (BA, BAS, Q and BL) affect the corporate brand equity valuation of pharmaceutical industry.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter, summary of the main study findings is presented. The chapter also covers conclusions and recommendations of the study as well as suggestions for further research.

The purpose of this study was to establish the extent of corporate brand equity valuation in the pharmaceutical industry in Kenya and assess the factors influencing the corporate brand equity valuation of pharmaceutical companies. The following are the summary of the research findings upon which the conclusions and recommendations of the study were made.

5.2 Summary

From the findings of the study the respondents were in a position to know of the effects stakeholders' consideration in the implementation strategies as they provided adequate information on the matter. The stakeholders are important in the implementation of brand strategies as deduced. The findings are in line with Dutta (1999) that managers have an ownership stake as they are most likely to maximize shareholder wealth. The managers monitor the negative and positive impacts of ownership and concentrate to be equated hence over some time benefits can over weigh the negativities. According to Rode and Vallaster (2007), every interaction with the stakeholders affects brand equity and increases it as the more positive the experience, the stronger is the brand and the more the organization has positive reputation.

According to the findings, the respondents strongly agreed that corporate reputation, firms' competition, firms, value chain activity, and firms' resource allocation influence the performance of the company. Brand value chain (BVC) provides a framework to realize brand equity (Ouyang

& Wang, 2007). BVC implies that BE constructed from three major parties involvement i.e. consumer, organization, and the shareholders (ibid). Thus, it is necessary all BVC perspectives to be considered simultaneously to have a true holistic view on BE (ibid). Recalling from Riezebos' (2003) model BE measurement starts from added value to consumers to the added value to organization. However, (Jones, 2005) claims these days that all wider stakeholder analysis must be included in brand equity assessments.

The study deduced that the respondents were in a position to know of the effects stakeholders' consideration in the implementation strategies as they provided adequate information on the matter. Corporate reputation is used to create value and if it has an impact on a firms brand image strategy. Researchers agree that corporate reputation can improve the competitiveness of a business (Burke & Logsdon, 1996) which in long-run leads to economic success (Weber, 2008). An over view of the articles revealed that although general interest among scholars increased on interdisciplinary approaches of branding and corporate responsibility but none of them presented a framework for brand valuation including measures of corporate conduct effects.

The study deduced that the firm's corporate reputation used to communicate with stakeholders has a positive impact on the firm's brand image setting in terms of product differentiation. The findings are in line with Keller (2000, 115) who defines corporate brand equity in the following words: "the differential response by consumers, customers, employees, other firms or any relevant constituency to the words, actions, communications, products or services provided by an identified corporate brand entity". A low brand valuation and shows that the company is doing very little to enhance the reputation of the company and may be more of a liability than an asset.

The study found out that good brand management brings about clear differentiation between products and it ensures consumer loyalty and preferences and may lead to a greater market share. Brand is an identifiable product, service, person or place augmented in such a way that the buyer or user perceives relevant, unique added value which match their needs most closely. The high costs associated with the launching of new brands, the high failure rates of new products and the increasing costs associated with advertising and distribution are some of the reasons for the growing interest in brand management.

The findings established that the pharmaceutical industry in Kenya has incrementally faced competition both locally and regionally owing to globalization and technological improvement. Unlike before when pharmaceutical firms used to market and sell their products through facts and data, and new drugs were easy to separate from their competitors, this has now changed. Thus, in order to keep up with fierce competition, pharmaceutical companies seek to transform their businesses. These firms have recognized the importance of branding and have restructured their firms to include marketing and brand ambassadors.

The study found out that building brand equity is considered an important part of brand building. Brand equity is supposed to bring several advantages to a firm. For instance, high brand equity levels are known to lead to higher consumer preferences and purchase intentions. According to Aaker and Jacobson (1994), firms with high brand equity are also known to have high stock returns, further insights into the measurement of consumer-based brand equity is important as branding is a powerful tool of differentiation. Differentiation, defining characteristics of the brand and its distinctiveness relative to competitors, is one of the key competitive positioning strategies.

5.3 Conclusion

As earlier established, all the dimension of customer based brand equity will have influence on consumer's perception of brand. From the finding, among these three dimensions of consumer-based brand equity i.e. perceived quality, brand loyalty and brand image, brand loyalty which has to do with customer's devotion to a brand, appears to have the least brand equity rating.

Brand loyalty is also an important brand equity construct. The fact that brand loyalty has the least influence on consumer's perception of brand is a logical issue because even when the consumers seems to be satisfied they appear not to be too loyal. One possible reason could be as a result of the fact that consumers give more attention to other factors such as price etc. when they are making their choices. According to Oliver (1999, p.34), brand loyalty is a "deeply held commitment". From our finding it could be seen that consumer's loyalty to a brand is a continuous process which is built over a long period of time. And as a result, building of brand loyalty could be a difficult job when compared to other dimensions.

Brand awareness has been seen by many researchers to play a vital role in consumer's perceptions of brand which is in line with our study. In Lin and Chang (2003) study, they found out that brand awareness had the most powerful influence on consumers purchase decision. From the findings of brand image attributes, it can be seen to be an important factor on consumer's perception of brand. Marketing researchers such as Keller (1993) have proposed that brand image is an important element of brand equity. Krishnan (1996) found out that brands with high brand equity have the tendency of having more positive brand associations than those with low brand equity.

5.4 Recommendation

The study recommendations were made based on the findings. The study recommended that the view that establishing and managing brand should not be taken to be the core operating target for most industries but should also is seen as a source of competitiveness. For an enriched practice of brand management, brand building should be highlighted the best way of doing business because of the constant changes in the marketing environment. The concept of brand equity has been of interest to marketing academics and practitioner an issue of considerable relevance concerns how brand equity should be defined and measured.

The study recommended that a brand should not just be an identifier but brand knowledge serves as a protector for both the manufacturer and consumer. A service brand should concentrate on in order to build a strong brand equity and acquiescence in the market place; quality product and service, performance of service delivery and establishing a symbolic and evocative image. The pharmaceutical industry should build associations with stakeholders of the organization as attractive and desirable are expected to influence stakeholder behaviour in ways that create corporate brand equity. The role of core values in corporate branding by saying that the factors linking core values and the corporate brand are pivotal for corporate brand equity building and thus the goal should be to define unique and useful core values which are difficult for competitors to imitate.

The actual brand identity should be similar to the view of stakeholders about the brand, the brand image. For the brand to succeed, the brand should be developed so that the associations reflect and are part of the brand identity. The study recommended that as a source of brand equity, pharmaceuticals could concentrate on a few brand associations, perhaps on one or two most important ones.

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APPENDICES

Appendix I: Cover Letter

ISSAK MAALIM,

University of Nairobi,

P.O BOX, 30197

Nairobi.

May 2014

Dear Sir/Madam,

RE: DATA COLLECTION

I am a postgraduate student at University of Nairobi undertaking a Master of Science (Msc) Degree in Marketing. One of my academic outputs before graduating is a thesis and for this I have chosen the research topic "**Establish the Corporate Brand Equity and Firm Performance in the Pharmaceutical Industry in Kenya**".

You have been selected to form part of the study. This is to kindly request you to assist me collect the data by responding to the interview guide. The information you provide was used strategically for academic purposes and was treated with utmost confidence. A copy of the final report was available to you upon request. Your assistance was highly appreciated.

Yours Sincerely,

ISSAK MAALIM

Appendix II: Questionnaire

SECTION A: GENERAL INFORMATION

1. Firm's name: ________________________________

2. Department: ________________________________

3. Designation ____________________________________

SECTION B: CORPORATE BRAND MANAGEMENT

4. While making and implementing branding strategies, do you consider all or some of the stakeholders?

   Yes [ ] No [ ]

5. While making and implementing branding strategies, Do you consider all or some of the stakeholders? 5 = most important; 4= important; 3= moderately important; 2= least important; 1= not important.

Stakeholders	**Not Important**	**least Important**	**Moderately Important**	**Important**	**Most Important**
Consumers/ customers					
Managers					
Suppliers					
Distributors					
Media					
Government					
Competitors					
General Public					

6. Below are questions regarding companies branding practices for corporate brand equity, kindly rate the extent that each statement is applicable to your company in a scale of 1 to 5: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree

Branding	**1**	**2**	**3**	**4**	**5**
Our firm's corporate reputation promises good quality products and service to customers.					
The corporate reputation of our firm helps to reduce transaction costs.					
Our firm competes by creating useful products.					
Our firm competes by creating the correct product					

attributes for its targeted customers.					
Our firm competes by appropriate performances.					
Our firm competes by appropriate outcomes.					
Our firm’s value-chain activity is consistent with functional value creation.					
Our firm’s resource allocation is consistent with functional value creation.					
Our firm competes by appealing to the senses.					
Our firm competes by creating appropriate emotions (fun, pleasure, excitement, relaxation, etc.)					
Our firm competes by facilitating social relationships (bonds, attachments, and togetherness).					
Our firm competes by creating epistemic value (knowledge, novelty, fantasy).					
Our firm’s value-chain activity is consistent with experiential value creation.					
Our firm’s resource allocation is consistent with experiential value creation.					
Our firm competes by enhancing its customers’ self-identity.					
Our firm competes by enhancing its customers’ self-concept.					
Our firm competes by enhancing its customers’ self-worth.					
Our firm competes by creating personal meaning.					
Our firm competes by facilitating self-expression.					
Our firm competes by offering economic value (low prices, value in use, life costs).					
Our firm competes by simplifying the purchasing process for its consumers (ease of use, ease of doing business, simplicity, availability, accessibility).					
Our firm competes by enabling ease of use of its products (time, effort, energy).					
Our firm competes by minimising customer risk (personal, technological, strategic).					
Our firm’s value-chain activity is consistent with symbolic value creation					
Our firm’s resource allocation is consistent with symbolic value creation					
In our organization, corporate reputation serves as a competitive advantage					
Our firm’s corporate reputation sends a strong signal to its customers					
Our firm’s corporate reputation implies efficient sales and marketing.					

Our firm's corporate reputation implies its advanced R&D					
Our firm's corporate reputation implies that we are able to enter markets early.					
Our firm's corporate brand shapes the perceptions of shareholders and other stakeholders					
Our firm's corporate brand builds a relationship between the firm and its customers.					
Our firm's corporate reputation influences consumer choices.					

7. Do you think your Firm's corporate reputation, which is used to create value, has a positive impact on a firm's brand image strategy in terms of the brand's competitive position?

   Yes [ ] No [ ]

8. Do you think a firm's corporate reputation, which is used to communicate with its stakeholders, has a positive impact on a firm's brand image setting in terms of its product differentiation?

   Yes [ ] No [ ]

SECTION C: BRAND EQUITY AND FIRM PERFORMANCE

9. Below are questions regarding your Firm's brand equity valuation with regards to product differentiation and market segmentation, kindly rate the extent that each statement is applicable to your company in a scale of 1 to 5: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree

Brand Equity	**1**	**2**	**3**	**4**	**5**
PRODUCT DIFFERENTIATION					
How our corporate brand is perceived varies according to whether consumers have experienced our products.					
How our corporate brand is perceived varies by word of mouth.					
How our corporate brand is perceived varies by promotion.					
Our corporate brand is actually created differently by product characteristics.					
Our corporate branding maybe directed at different market					

segments.					
Our corporate brand may utilize physical product characteristics.					
Our corporate brand may utilize non-physical product characteristics.					
COMPETITIVE POSITION					
Our firm's corporate brand positioning strategy signifies high quality to its customers.					
Our firm's corporate brand positioning strategy signifies better product performance to its customers.					
Our firm's corporate brand positioning strategy is to achieve a higher frequency of advertising.					
Our firm's corporate brand positioning strategy involves a long distribution chain.					
Our firm's corporate brand positioning strategy is to provide a much better service to its customers.					
Our firm's corporate brand positioning strategy tries to fulfil the basic needs of our customers.					
Our firm's corporate brand positioning strategy tries to target upmarket audiences.					

11. Kindly indicate the average performance of your pharmaceutical firm in terms of annual revenues, total costs incurred and the value of assets invested.

Average Annual Revenues (In Millions)

Below 500 (Please specify)

501 - 1,000 [ ]   1,001 - 1,500 [ ]

1,501 - 2,000 [ ]   2,001 - 2,500 [ ]

2,501 – 3000 [ ]   Above 3001 [ ]

Average Annual Total Costs (In Millions)

Below 100 [ ]   101 – 500 [ ]

501 – 1000 [ ]   1001 – 1500 [ ]

1501 – 2000 [ ]   2001 – 2500 [ ]

Above 2,501 [ ]

Total Assets (In Millions)

Below 500	[ ]	501 – 1000	[ ]
1001 – 1500	[ ]	1501 – 2000	[ ]
2001 – 2500	[ ]	2,501 – 3000	[ ]
Above 3,001	[ ]		

10. Kindly describe what, in your opinion, should be considered by your pharmaceutical firm in order to raise its band equity and/or its consequent effect on firm performance?

…………………………………………………………………………………………………
…………………………………………………………………………………………………
…………………………………………………………………………………………………
………………………………………………………………………………

THANK YOU FOR YOUR PARTICIPATION

Appendix III: List of Pharmaceutical Manufacturing Companies

Name Of Company	**POSTAL ADRESS**	**Physical Address**	**EMAIL ADRESS**
Autosterile (E.A) Ltd	P.O Box 27726-00506 Nbo	Airport North Rd. Embakasi	info@autosterileea.biz
Aeshetics	P.O Box 18171-00500 Nbo	Pemba Street, Off Lusaka Rd	aesthetics@iconnect.co.ke
Beta Healthcare, Int. Ltd	P.O Box 42569-00100 NBO	Bondo Road	gurcharan@betashelys.com
Benmed Pharmaceuticals Ltd	P.O Box 22128-00400 Nbo	Thika	mwangibm@yahoo.com
Biodeal Laboratories Ltd	P.O Box 32040-00600 Nbo	Lungalunga Rd. Ind. Area	info@biodeal.co.ke
Biopharma Limited	P.O Box 32547-00600	Factory Street	info@biopharmalimited.com
Comet Healthcare Ltd	P.O Box 6293-00300 Nbo	Lr.209 Homabay Road	bilovaph@wananchi.com
Cooper (K) Brands	P.O Box 40596-00100 Nbo	Kaptagat Road Kabete	info@coopers.co.ke
Cosmos Limited	P.O Box 414333-00100 NBO	Rangwe Rd. Off Lungalunga Rd.	info@cosmos-pharma.com
Concept Africa Ltd	P.O Box 8970 -00200 NBO	Alfa Centre, Mombasa Road	
Dawa Limited	P.O Box 16633-00620 NBO	Baba Dogo Road, Ruaraka	admin@dawalimited.com
Elys Chemical Industries Ltd	P.O Box 40411-00100 NBO	Road 'B' Off Enterprise Road	elys@africaonline.co.ke
Glaxosmithkline Ltd (Gsk)	P.O Box 78392-00507 NBO	Likoni Road	irene.m.akaranga@gsk.com

Hightech Pharmaceuticals Limited	P.O Box 323-20100 NAKURU	Makueni Drive, Light Industrial Area	hightechpharmaceuticals@yahoo.com
Infusion Medicare (K) Ltd	P.O Box 30467-00100 NBO	Mogadishu Rd. Ind. Area	info@infusionmedicare.com
Ivee Aqua Epz Ltd	P.O Box 47536, NBO	Epz Nbo	sum@iivee.co.ke
Kenya Veterinary Vaccine Production	P.O Box 53260-00200 NBO	Kabete; Nairobi	
Kenya Medical Research Institute	P.O Box 54040 NBO	Kemri Hqs Off Mbagathi Rd	hq@kemri.org
Kenya Society For The Blind	P.O Box 46656-00100 NBO	Nairobi West;Off Langata Road	ksb@ksblincl.org
Laboratory And Allied Ltd	P.O Box 42875-00100 NBO	Mombasa Road	info@laballied.com
Mac's Pharmaceuticals Ltd	P.O Box 43912-00100 NBO	Off Shimo La Tewa Ind. Area	kumi@kenyaweb.com
Manhar Brothers	P.O Box 40447 - 00100	Solai Road; Off Baricho Road	
Medivet Products Ltd	P.O Box 47951-00100	Ruiru Town	info@medivetpl.com
Nerix Pharma Ltd	P.O Box 25453-00603 NBO	Alpha Centre, Mombasa Road	nerix@todaysonline.com
Norbrook Kenya Ltd	P.O Box 1287-00606 NBO	Old Limuru Road	david.rutere@norbrook.co.ke
Novelty Pharmaceuticals Co.	P.O Box 42708 -00100 NBO	General Kago Road; Thika	novelty@africaonline.co.ke
Oss Chemie	P.O Box 68502-00622 NBO	Mombasa Road	info@osschemie.co.ke
Pharmaceutical Manufacturing	P.O Box 47211-00100	Dakar Road; Off Enterprise Road	pmc@africaonline.co.ke

Company	NBO		
Pz Cussons E.A Ltd	P.OBox 48597-00100 NBO	Baba Dogo Rd. Ruaraka	
Reckitt & Colman (Ind) Ltd	P.O Box 78051 NBO	Likoni Road	
Regal Pharmaceuticals	P.O Box 44421-00100 NBO	Off Baba Dogo Rd. Ruaraka	info@regalpharmaceuticals.com
Sphinx Pharmaceuticals	P.O Box 69512-00400 NBO	Old Airport North Rd.	sphinx@sphinx.co.ke
Skylight Chemicals	P.O Box 56739-00200 NBO	Pate Road Off Nanyuki Rd	info@skylightchemicals.co.ke
Syner Chemie Limited	P.O Box 18185-00500 NBO	Garage Road, Off Daresalaam Road	synchem@nbnet.co.ke
Stedman Pharma Manufacturing Ltd	P.O Box 35240-00200	North Airport Rd	
Universal Cooperation Ltd	P.O Box 42367-00100 NBO	Kikuyu	info@uclkenya.com
Ultravetis East Africa Questacare Ltd	P.O Box 44096-00100 NBO C/O SURGIPHAR M	NANYUKI ROAD, OFF LUNGA LUNGA, Plot No. 209/7185 Homabay, Road Terminus (Gate No.19, Industrial Area, Nairobi	

Source: Pharmacy and Poisons Board (2014)